

Office of the
Legislative Fiscal Analyst

FY 2003 Budget Recommendations

Joint Appropriations Subcommittee for
Health and Human Services

Utah Department of Health
Special Population Health Care Provider Financial Assistance Program

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1.0 Department of Health - Special Population Health Care Provider Financial Assistance Program

Summary

The 1996 Legislature passed House Bill 302, Special Population - Health Care Provider Financial Assistance and Retention Act, for the purpose of promoting and facilitating the recruitment and retention of primary health care providers to serve special populations in medically underserved urban areas of the State. This is done through loan repayment grants and scholarships in return for a minimum two years obligated period of professional services in a medically underserved urban area of the State. Primary health care providers under this program include physicians, physician assistants, dentists, and mental health therapists.

Funding for this program is appropriated as a separate line item, in accordance with UCA 26-9e-10 (1).

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	73,700	(20,100)	53,600
Beginning Nonlapsing	59,400		59,400
Closing Nonlapsing	(36,600)		(36,600)
Total	\$96,500	(\$20,100)	\$76,400
Programs			
Special Population Health Care Provider	96,500	(20,100)	76,400
Total	\$96,500	(\$20,100)	\$76,400
FTE/Other			
Total FTE	0.50		0.50

2.0 Issues: Special Population Health Care Provider Financial Assistance Program

2.01 Program Reduction

The Analyst recommends the financial assistance programs for reductions. The FY 2003 General Fund associated with this reduction is \$20,100.

General Fund **(\$20,100)**

2.02 Administrative Cost Intent Language

The 2001 Legislature approved the following intent language to be implemented by this division:

It is the intent of the Legislature that the budget analysis for the Department of Health be presented with a breakdown between costs of administration and services delivered and the number of citizens served and categorized by cost and type of service.

The Department reports that the Special Population Health Care Provider Financial Assistance Program's budget is 100 percent indirect services as shown in the following table.

SPECIAL POPULATION FINANCIAL ASSISTANCE PROGRAM				
ADMINISTRATIVE and SERVICE COSTS				
FY 2001 Authorized Costs				
	Admin- <u>istration</u>	Indirect <u>Services</u>	Direct <u>Services</u>	<u>Total</u>
Grant/Scholarship Program	0	155,220	0	155,220
	0.0%	100.0%	0.0%	
Total	0	155,220	0	155,220
	0.0%	100.0%	0.0%	
Source: Department of Health				

3.1 Special Population Health Care Provider Financial Assistance Program

Recommendation

The Analyst recommends a total FY 2003 budget of \$76,400, which reduces the General Funding by \$23,900. The other revenue source is nonlapsing funds, from previous General Fund appropriations which is committed, but remains unspent. The reduction of this program may adversely affect the ability of underserved areas to recruit health care providers to those areas. However, there are other incentive programs such as the National Health Service Corp. and Conrad State 20/J-1 Visa Waiver program that can assist in those endeavors.

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
General Fund	76,700	77,500	53,600	(23,900)
General Fund, One-time		(3,900)		3,900
Beginning Nonlapsing	203,792	125,300	59,400	(65,900)
Closing Nonlapsing	(125,272)	(59,400)	(36,600)	22,800
Total	\$155,220	\$139,500	\$76,400	(\$63,100)
Expenditures				
Personal Services	16,342	17,700	17,800	100
In-State Travel	21	600	800	200
Current Expense	138,857	121,200	57,800	(63,400)
Total	\$155,220	\$139,500	\$76,400	(\$63,100)
FTE/Other				
Total FTE	0.50	0.50	0.50	

Purpose

The Special Populations Health Care Provider Financial Assistance Program was created to promote and facilitate the recruitment and retention of primary health care providers to serve special populations in medically underserved urban areas of the State. The program makes available scholarships and loan repayment awards to recipients who agree to practice as primary health care providers for not less than two years in a medically underserved urban area of the State. While the program is statutorily authorized to award scholarships, it is not currently offering such.

During FY 2001, the Special Populations Health Care Provider Financial Assistance Program made awards to one dentist, four mental health therapists, two physicians, and one physician assistant. The awards averaged \$18,750 for a minimum two-year service obligation.

Thus far in FY 2002, an additional four grants have been approved for one dentist, one mental health therapist, one physician, and one physician assistant.

Five professionals have completed their service obligation; 80 percent have either remained in their original service area or at another urban underserved site. Placements have been made in all four urban counties, allowing those communities more accessible and comprehensive health care. The program has provided funding to secure the obligation of a total of 40 years of service.

SPECIAL POPULATION HEALTH CARE PROVIDER FINANCIAL ASSISTANCE PROGRAM					
<u>Fiscal Year</u>	<u>Beg. Balance</u>	<u>Appropriation</u>	<u>Administrative Expenses</u>	<u>Funds Awarded</u>	<u>Grants</u>
1996-97	0	100,000	16,450	0	0
1997-98	83,550	90,000	21,934	0	0
1998-99	151,616	85,000	27,417	54,920	3
1999-2000	154,279	80,000	20,825	100,994	5
2000-2001	112,460	76,700	18,518	150,028	8
2001-2002	20,614	77,500	26,000	72,100	4
Total		509,200	131,144	378,042	20

**Administration/
Service Cost
Breakdown Intent
Language**

The 2001 Legislature approved this item of intent language for this program:

It is the intent of the Legislature that the budget analysis for the Department of Health be presented with a breakdown between costs of administration and services delivered and the number of citizens served and categorized by cost and type of service.

The Department reports that this budget is 100 percent indirect services.

4.0 Additional Information: Special Population Health Care Provider Financial Assistance Program

4.1 Funding History

	1999 Actual	2000 Actual	2001 Actual	2002 Estimated	2003 Analyst
Financing					
General Fund		80,000	76,700	77,500	53,600
General Fund, One-time				(3,900)	
Beginning Nonlapsing		206,394	203,792	125,300	59,400
Closing Nonlapsing		(203,792)	(125,272)	(59,400)	(36,600)
Lapsing Balance	22,083				
Total	\$22,083	\$82,602	\$155,220	\$139,500	\$76,400
Programs					
Special Population Health Care Provider	22,083	82,602	155,220	139,500	76,400
Total	\$22,083	\$82,602	\$155,220	\$139,500	\$76,400
Expenditures					
Personal Services	15,658	18,253	16,342	17,700	17,800
In-State Travel	631	149	21	600	800
Current Expense	5,794	64,200	138,857	121,200	57,800
Total	\$22,083	\$82,602	\$155,220	\$139,500	\$76,400
FTE/Other					
Total FTE		0.55	0.50	0.50	0.50